



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
DELAWARE ECONOMIC DEVELOPMENT OFFICE

Alan B. Levin
Director

November 12, 2014

Mr. Robert Stewart
Atlas Point Site Director
Croda Inc.
315 Cherry Lane
New Castle, DE 19720

Dear Mr. Stewart:

This letter rescinds my previous letter to you of September 8, 2014 granting Croda Inc. (Croda) 33 Emission Reduction Credits (ERCs). I am pleased to know that Croda's need for ERCs has been significantly reduced. This letter is to inform you that the Delaware Economic Development Office (DEDO) will grant to Croda Inc. (Croda) 7 Emission Reduction Credits (ERCs) necessary as required offsets for the issuance of a Delaware Coastal Zone permit allowing the construction and operation of a new bio-based ethylene oxide facility at Croda's New Castle, Delaware location.

These air credits are granted under the following terms and conditions.

1. The credits granted are 2 NOx Ozone Season and 1 NOx non-ozone season, 3 VOC Ozone Season and 1 VOC non-ozone season credits currently held in the DEDO credit bank; and
2. The credits are granted effective upon receipt of a copy of this letter signed by an authorized officer of Croda acknowledging and accepting the following terms and conditions.
 - Croda submits a \$500 application fee to DEDO prior to November 30, 2014.
 - Croda commences full operation of its New Castle, DE bio-based ethylene oxide facility on or before December 31, 2016. Should operations not commence by that date, DEDO reserves the right to rescind this award and return the credits to the credit bank.

99 KINGS HIGHWAY
DOVER, DELAWARE 19901-7305
(302) 739-4271
FAX: (302) 739-5749

CARVEL STATE OFFICE BUILDING
820 N. FRENCH STREET
WILMINGTON, DELAWARE 19801-3509
(302) 577-8477
FAX: (302) 577-8499

- Croda agrees that they will retain a minimum of 47 full-time employees in the operation of the existing facility and add an additional 18 new, full-time permanent employees on or before December 31, 2016 at the Atlas Point facility.
- Croda will be required to certify the new jobs created and total employment on an annual basis beginning on December 31, 2014 and continuing through December 31, 2021. Croda shall certify, on a form acceptable to DEDO, the number and compensation level of all full-time permanent employees.
- Croda agrees that after January 1, 2017, should its employment fall below 65 full-time employees for four consecutive months, or if the bio-based ethylene oxide operation is idle for four consecutive months at any time, DEDO reserves the right to rescind this award and return the credits to the credit bank.
- Croda agrees that the credits are for the operation of its new bio-based ethylene oxide facility at 315 Cherry Lane, New Castle, DE and may not be sold or transferred in any manner to any other organization or utilized at any other location without the express written consent of DEDO.

If you need more information, please contact Jeff Stone at (302) 672-6849 or jeff.stone@state.de.us.

I appreciate your continuing investment in the State of Delaware and your efforts to preserve and enhance our environment and wish you continued growth and success in your operations.

Sincerely,



Alan B. Levin
Director

ABL:jls

cc: David Small, Department of Natural Resources and Environmental Control
Ali Mirzakhali, Department of Natural Resources and Environmental Control
Phil Cherry, Department of Natural Resources and Environmental Control
Kevin Coyle, Department of Natural Resources and Environmental Control

On behalf of Croda Inc., I hereby acknowledge and accept the terms and conditions as detailed above.

By: _____
Name & Title

Date